

AMENDED IN ASSEMBLY JULY 1, 2003

AMENDED IN SENATE APRIL 22, 2003

AMENDED IN SENATE APRIL 1, 2003

SENATE BILL

No. 720

**Introduced by Senator Bowen
(Coauthor: Senator Alarcon)**

February 21, 2003

An act to amend Section 884 of the Public Utilities Code, relating to telecommunications.

LEGISLATIVE COUNSEL'S DIGEST

SB 720, as amended, Bowen. Telecommunications services.

~~Existing~~

(1) *Existing* law declares the Legislature's policies for telecommunications in California. Existing law states the intent of the Legislature that the Public Utilities Commission should provide a nonprofit community technology program, as defined, with discounts comparable to those that are provided to schools and libraries to address inequality of access to advanced telecommunications services.

This bill would state the intent of the Legislature that the commission provide a nonprofit community technology program, as defined, with discounts comparable to those that are provided to schools and libraries to address inequality of access to advanced telecommunications services, as defined.

(2) *Existing law establishes the California Teleconnect Fund Administrative Committee to advise the commission regarding the implementation, development, and administration of a program to advance universal service by providing discounted rates to qualifying*

schools, libraries, hospitals, health clinics, and community organizations, and to carry out the program pursuant to the commission's direction, control, and approval. Existing law establishes the California Teleconnect Fund Administrative Committee Fund in the State Treasury, and requires that moneys from the fund may only be expended upon appropriation in the annual Budget Act and requires that the moneys appropriated be utilized exclusively by the commission for the authorized programs. Pursuant to this authority, the commission has established the California Teleconnect Fund Program, which provides discounted services to qualifying schools, libraries, hospitals, and other community-based organizations.

This bill would if consistent with the purposes for which the funds are appropriated authorize the commission to make a one-time expenditure of up to 90%, of the installation costs of advanced telecommunications services for entities that do not have access to those services, from the unencumbered difference between what is appropriated and what is expended by the commission from the California Teleconnect Fund Administrative Committee Fund for the 2003–04 and 2004–05 fiscal years. The incremental cost of the one-time expenditure may not exceed \$3,000,000 over the discounts available under existing programs of the commission.

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~ yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 884 of the Public Utilities Code is
- 2 amended to read:
- 3 884. (a) It is the intent of the Legislature that any program
- 4 administered by the commission that addresses the inequality of
- 5 access to advanced telecommunications services by providing
- 6 those services to schools and libraries at a discounted price,
- 7 provide comparable discounts to a nonprofit community
- 8 technology program.
- 9 (b) *If the moneys expended from the California Teleconnect*
- 10 *Fund Administrative Committee Fund are less than the amounts*
- 11 *appropriated in the annual Budget Act for the 2003–04 and*
- 12 *2004–05 fiscal years, from the unencumbered difference between*
- 13 *what was appropriated and what was expended in each of those*
- 14 *fiscal years, notwithstanding any other law or existing program of*



1 *the commission but consistent with the purposes for which those*
2 *funds are appropriated, the commission may make a one-time*
3 *expenditure of up to 90 percent of the one-time installation costs*
4 *of advanced telecommunications services, for entities that do not*
5 *have access to advanced telecommunications services. The*
6 *incremental cost for the one-time expenditure that exceed*
7 *discounts under existing programs established by the commission,*
8 *may not exceed three million dollars (\$3,000,000).*

9 (c) For the purpose of this section:

10 (1) “Advanced telecommunications services” includes high
11 speed communications services such as digital subscriber line
12 (DSL) services *and T-1 technology.*

13 (2) “Nonprofit community technology program” means a
14 community-based nonprofit organization that is exempt from
15 taxation under Section 501(c)(3) of the Internal Revenue Code and
16 engages in diffusing technology into local communities and
17 training local communities that have no access to, or have limited
18 access to, the Internet and other technologies.

